



PRESS RELEASE

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IRS – Criminal Investigation

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Virginia Electrician Arraigned on Tax Charges

A former Cumberland, Virginia, resident was arraigned in federal court in Roanoke, Virginia, on Feb. 3, on a seven-count indictment charging him with tax evasion, corruptly endeavoring to impede and impair the due administration of the internal revenue laws and failure to file tax returns, Acting Assistant Attorney General Caroline D. Ciruolo of the Justice Department's Tax Division and U.S. Attorney John P. Fishwick, Jr. of the Western District of Virginia announced today.

According to the indictment, which was returned in June 2015 and unsealed in December 2015, Richard Alex, a self-employed low-voltage electrician, had not filed a timely or valid federal income tax return in more than a decade. For tax years 1998 and 2000 through 2003, Alex filed a tax return on which he falsely claimed that he had not earned any income. For tax years 2004 through 2013, Alex failed to file any tax returns despite earning gross income in excess of the filing requirement and receiving numerous warnings and notices from the Internal Revenue Service (IRS).

The indictment further alleges that, to prevent the IRS from collecting his unpaid taxes, Alex attempted to conceal his assets and income by establishing nominee businesses to conceal his gross income and using bank accounts held in the names of nominees to receive income. Alex also provided false information to a tax return preparer for the purpose of preparing federal tax returns for Alex's nominee entity, Cole Data Services.

Alex's detention hearing is tomorrow before U.S. Magistrate Judge Robert S. Ballou. Trial is set for April 11 before U.S. District Judge Norman K. Moon. If convicted, Alex faces a statutory maximum sentence of five years in prison for the tax evasion count, three years in prison for the charge of corruptly endeavoring to impede and impair the due administration of the internal revenue laws and one year in prison for each count of failure to file a tax return. He is also subject to a fine and restitution.

An indictment merely alleges that crimes have been committed and the defendant is presumed innocent until proven guilty beyond a reasonable doubt.

Acting Assistant Attorney General Ciralo and U.S. Attorney Fishwick Jr. commended special agents of IRS Criminal Investigation, who investigated the case and Trial Attorney Sean Beaty of the Tax Division and Assistant U.S. Attorney C. Patrick Hogeboom of the Western District of Virginia, who are prosecuting the case.

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